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INFLUENZA
AND
PNEUMONIA
IMMUNIZATIONS
GIVEN BY
PUBLIC HEALTH.

STRATEGIZING THE
2004 BUDGET
A METROPOLITAN AREA
COMPARISON

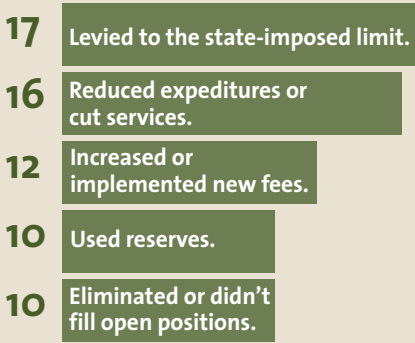
BUDGET SHORTFALLS IN 2003 FORCED many Minnesota cities to make tough decisions. A \$4.5 billion state budget deficit that affected aid cities receive and the downturn in the economy presented many challenges. Some cities responded by reducing services, eliminating positions, raising taxes, increasing fees or drawing down reserves set aside in prior years for these purposes.

The City of Bloomington has been very conservative over the last 10 years, keeping services at levels that could be sustained in a downturn. To balance its 2004 budget, the City utilized the property tax levy, reduced expenditures by \$1.7 million and implemented the use of one-time reserves.

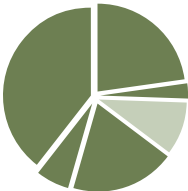
In 2003, Bloomington’s Finance Department conducted a survey to gather information and share ideas on how neighboring communities were strategizing their 2004 budgets. The 25 respondents described significant impacts felt by state aid cuts and a variety of strategies used to offset the loss. *See graph below.*

To balance their 2004 budgets, 68 percent of cities responded that they levied to the state-imposed levy limit. **Bloomington’s levy of 5.75 percent was \$1.8 million below the state limit.**

FILLING THE BUDGET GAP
COMMON RELIEF STRATEGIES USED BY
25 METROPOLITAN AREA CITIES



Note: Total is more than 25 because cities used multiple relief strategies.



CAPITAL FUNDS

CAPITAL FUNDS PURCHASE AND IMPROVE MAJOR ASSETS such as land, structures, equipment and streets.

2003 BUDGET	2004 BUDGET
\$15,248,835	\$10,477,717

HOUSING AND COMMERCIAL PROPERTY REHABILITATION

Since 1997, the City has provided \$8 million for property enhancement initiatives such as the acquisition of vacant gas stations and the rehabilitation of blighted properties. Budgeted for 2004 is \$1,517,717 to complete the Lyndale Green project, 84th Street and Lyndale Avenue, and continue redevelopment of the properties around France Avenue and Old Shakopee Road. *See page CR6.*

PARKS

Major park improvements scheduled in 2004 include a 3.34-mile trail through Hyland Park and along portions of Bush Lake Road to be installed in late summer. The \$1.4 million project is funded through a combination of federal, state and Metropolitan Council grants and the City of Bloomington.

PAVEMENT MANAGEMENT

The Pavement Management Program is a funding and implementation plan for repair, maintenance and reconstruction of Bloomington roadways. Needs are identified and funded through State aids, assessments and an annual levy. To maximize efficiency, the most opportune time to repair streets is calculated and the funding needs are levied over several years. Approximately \$4.5 million is budgeted for program expenditures in 2004. As the program moves forward resources will need to be increased by \$1.7 million.

PUBLIC WORKS GARAGE ADDITION

Approximately 71,000 square feet of vehicle storage was constructed in 2002 to protect the more than \$16 million invested in Public Works equipment. A 43,000 square foot storage building to house remaining equipment will be constructed when additional funds become available.

DEBT
SERVICE

2003 BUDGET	2004 BUDGET	AVERAGE NET PROPERTY TAX COST PER MONTH
\$3,408,356	\$3,054,922	\$4.39 <i>See page CR2.</i>

MANY COMMUNITY NEEDS MUST BE MET BY THE CITY OF BLOOMINGTON INCLUDING STREET AND infrastructure work, construction projects and equipment purchases. The City’s ability to issue future debt at lower interest rates will provide for our community’s upkeep and renewal without substantially increasing property taxes for debt service.

OUTSTANDING DEBT

The City’s total outstanding General Obligation debt on December 31, 2003, was \$25 million. The statutory debt limit for Bloomington is \$183,640,000 or \$2,035 per capita.

The City’s net debt per capita is \$243. *See right.* The net debt includes all general obligation debt of the City, the Housing and Redevelopment Authority and the Port Authority.

Housing General Obligation Revenue Bonds	\$ 7,555,000
Port Authority Bonds	52,580,000
City of Bloomington Debt	25,120,000
TOTAL	\$85,255,000
<i>Less: Revenue funded bonds</i>	<i>(55,630,000)</i>
Amount on hand	8,932,158
NET DEBT as of 12/31/03	\$20,692,842
NET DEBT per capita	\$243

ABOUT THIS REPORT

THE CITY COUNCIL PRESENTS THIS CORPORATE REPORT OF FINANCIAL AND RELATED INFORMATION TO show how Bloomington’s city government performs.

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The City of Bloomington reports financial year-end results in a 155-page report called the *Comprehensive Annual Financial Report* (CAFR). *The City of Bloomington Corporate Report to the Community* summarizes the most significant data from the 2003 CAFR and the 2004 Budget Document and is unaudited. We have used this report to communicate financial information for the past seven years. For a complete review of the City’s financial position for 2003, consult the *CAFR for the Year Ended December 31, 2003*, available in the Hennepin County Library or from the City. Contact us at 952-563-8790 for information.

WHAT DO YOU
THINK?

Direct your comments and suggestions to the Finance Department, phone: 952-563-8790, e-mail: finance@ci.bloomington.mn.us. Visit www.ci.bloomington.mn.us to find out more about the City’s services.